FINANCIAL STATEMENTS

CONTENTS

Statement by the Board

In the opinion of the members of the Board:

(a) the accompanying financial statements of the Singapore Food Agency (the "Agency") as set out on pages FS1 to FS39 are drawn up in accordance with the provisions of the Singapore Food Agency Act 2019 (the "Act"), the Public Sector (Governance) Act 2018 (the "PSG Act") and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Agency as at 31 March 2023, and the results and changes in equity of the Agency, and cash flows of the Agency, for the year ended on that date;

(b) proper accounting and other records have been kept, including records of all assets of the Agency whether purchased, donated or otherwise; and

(c) the receipts, expenditure, investment of moneys and acquisition and disposal of assets by the Agency during the financial year ended 31 March 2023 have been in accordance with the provisions of the Act, the PSG Act and the requirements of any other written law applicable to moneys of or managed by the Agency.

The Board Members have, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Lim Chuan Poh
Chairman

Lim Kok Thai
Chief Executive Officer

31 July 2023

KPMG LLP
12 Marina View #15-01
Asia Square Tower 2
Singapore 018961

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

Independent auditors' report

Members of the Agency
Singapore Food Agency

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Singapore Food Agency(the "Agency"), which comprise the statement of financial position as at 31 March 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS39.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Food Agency Act 2019 (the "Act"), the Public Sector (Governance) Act 2018 (the "PSG Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Agency as at 31 March 2023 and the results, changes in equity and cash flows of the Agency for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Agency in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Directors' statement prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act, the PSG Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Agency or for the Agency to cease operations.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Agency to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Agency to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Agency audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Singapore Food Agency
Independent auditors' report
Year ended 31 March 2023

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion,

(a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Agency during the year are, in all material respects, in accordance with the provisions the Act, the PSG Act and the requirements of any other written law applicable to moneys of or managed by the Agency; and

(b) proper accounting and other records have been kept, including records of all assets of the Agency whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Agency in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act, the PSG Act and the requirements of any other written law applicable to moneys of or managed by the Agency. This responsibility includes monitoring related compliance requirements relevant to the Agency and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act, the PSG Act and the requirements of any other written law applicable to moneys of or managed by the Agency.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
31 July 2023

Statements of financial position
As at 31 March 2023

	Notes	2023 $	2022 $
Capital and reserves			
Share capital	4	1,000	1,000
Other reserve	5	47,010,907	47,010,907
Accumulated surplus		45,350,164	44,085,526
		92,362,071	91,097,433
Represented by:			
Non-current assets			
Property, plant and equipment	6	130,172,205	122,892,181
Right-of-use asset, leasehold property	7	46,449,005	53,187,072
Subsidiary	8	–	2
Trade and other receivables	9	1,924,489	1,897,875
		178,545,699	177,977,130
Current assets			
Prepayments		2,708,742	2,233,538
Trade and other receivables	9	14,092,671	5,494,855
Capital grants receivable		2,291,848	2,796,643
Cash and cash equivalents	10	124,411,685	149,530,013
		143,504,946	160,055,049
Current liabilities			
Trade and other payables	11	30,613,561	44,810,188
Rental, security and other deposits		7,668,845	7,551,304
Payable to Parent Ministry	12	5,340,129	8,216,482
Lease liabilities	13	14,115,353	26,352,314
Provision for pension benefits	14	277,264	263,352
Provision for contribution to consolidated fund	15	297,541	2,881,418
		58,312,693	90,075,058
Net current assets		85,192,253	69,979,991
Non-current liabilities			
Lease liabilities	13	81,412,232	78,958,014
Provision for pension benefits	14	4,836,071	4,839,143
Deferred capital grants	16	81,632,141	72,834,118
Provision for reinstatement costs		3,495,437	228,413
		171,375,881	156,859,688
Net assets		92,362,071	91,097,433
Net liabilities of Trust Fund	17	(9,456,374)	(2,639,665)

The accompanying notes form an integral part of these financial statements.

Statements of comprehensive income
Year ended 31 March 2023

	Notes	2023 $	2022 $
Income			
Certificate and permit fees	18	21,886,110	20,026,773
Licence fees	18	6,908,070	7,137,100
Rental and conservancy charges	19	34,053,871	27,736,779
Interest income		2,174,102	330,877
Other income		2,015,158	2,568,039
		67,037,311	57,799,568
Expenditure			
Staff costs	20	101,727,677	93,437,292
General and administrative expenses	21	94,702,223	101,897,772
Depreciation of property, plant and equipment	6	18,925,804	16,983,780
Depreciation of right-of-use asset (leasehold property)	7	6,738,067	6,932,225
(Gain)/Loss on disposal of property, plant and equipment/ Property, plant and equipment written off		(153,540)	3,799,274
Gain on disposal of subsidiary		(276,057)	–
(Reversal of)/Provision for loss allowance on trade receivables	26	(428,485)	938,375
Interest expense	13	3,319,364	3,580,266
		224,555,053	227,568,984
Deficit before grants		(157,517,742)	(169,769,416)
Grants			
Operating grants	22	147,784,752	173,923,674
Amortisation of deferred capital grants	16	11,483,232	12,795,259
		159,267,984	186,718,933
Surplus before contribution to consolidated fund and taxation		1,750,242	16,949,517
Contribution to Consolidated Fund	15	(297,541)	(2,881,418)
Net surplus for the financial year		1,452,701	14,068,099
Other comprehensive income:			
Actuarial loss on defined benefit plan	14	(188,063)	–
Other comprehensive income		(188,063)	–
Total comprehensive income for the financial year		1,264,638	14,068,099

The accompanying notes form an integral part of these financial statements.

Statements of changes in equity
Year ended 31 March 2023

	Share capital $	Other reserve $	Accumulated surplus $	Total $
Balance at 1 April 2021	1,000	47,010,907	30,017,427	77,029,334
Net surplus for the financial year	–	–	14,068,099	14,068,099
Total comprehensive income for the financial year	–	–	14,068,099	14,068,099
Balance at 31 March 2022	1,000	47,010,907	44,085,526	91,097,433
Balance at 1 April 2022	1,000	47,010,907	44,085,526	91,097,433
Net surplus for the financial year	–	–	1,452,701	1,452,701
Other comprehensive income for the financial year	–	–	(188,063)	(188,063)
Total comprehensive income for the financial year	–	–	1,264,638	1,264,638
Balance at 31 March 2023	1,000	47,010,907	45,350,164	92,362,071

The accompanying notes form an integral part of these financial statements.

Statements of cash flows
Year ended 31 March 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Deficit before grants		(157,517,742)	(169,769,416)
Adjustments for:			
Depreciation of property, plant and equipment	6	18,925,804	16,983,780
(Gain)/Loss on disposal of property, plant and equipment/ Property, plant and equipment written off		(153,540)	3,799,274
Gain on disposal of subsidiary		(276,057)	–
Property, plant and equipment expensed off		–	43,141
Depreciation of right-of-use assets	7	6,738,067	6,932,225
(Reversal of)/Provision for loss allowance on trade receivables	26	(428,485)	938,375
Interest income		(2,174,102)	(330,877)
Interest expense	13	3,319,364	3,580,266
Provision for pension benefits	14	89,445	101,671
Operating deficit before working capital changes		(131,477,246)	(137,721,561)
Changes in working capital excluding cash and cash equivalents:			
Prepayments		(475,204)	(982,549)
Trade and other receivables		(6,607,848)	(2,074,077)
Trade and other payables		(11,678,561)	(1,971,600)
Amount due to Government		(8,090,295)	(5,212,598)
Rental, security and other deposits		117,541	(66,928)
		(158,211,613)	(148,029,313)
Payment of contribution to consolidated fund		(2,881,418)	(3,309,509)
Payment of pension benefits	14	(266,668)	(558,913)
Net cash used in operating activities		(161,359,699)	(151,897,735)
Cash flows from investing activities			
Purchase of property, plant and equipment		(21,554,993)	(15,391,709)
Proceeds from disposal of property, plant and equipment		172,649	69,393
Proceeds from disposal of subsidiary		276,059	–
Interest income received		586,005	322,739
Net cash used in investing activities		(20,520,280)	(14,999,577)
Cash flows from financing activities			
Government grants received		173,784,744	208,242,171
Interest paid	13	(3,319,364)	(3,580,266)
Repayment of obligation under leases	13	(13,703,729)	(12,529,805)
Cash generated from financing activities		156,761,651	192,132,100
Net (decrease)/increase in cash and cash equivalents		(25,118,328)	25,234,788
Cash and cash equivalents as at beginning of the financial year		149,530,013	124,295,225
Cash and cash equivalents at end of financial year	10	124,411,685	149,530,013

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 31 July 2023.

1 Domicile and activities

Singapore Food Agency (the "Agency") is established in Singapore under the Singapore Food Agency Act 2019 under the purview of the Ministry of Sustainability and the Environment ("MSE"). As a statutory board, the Agency is subject to the directions of the Parent Ministry and is required to implement policies and comply with instructions from its Parent Ministry and other government ministries and departments such as the Ministry of Finance.

The Agency's registered office and principal place of business is located at 52 Jurong Gateway Road, #14-01, Singapore 608550.

The principal activities of the Agency are:

(a) to support regulation of the production of primary produce and animal feed to ensure the safety and wholesomeness of food supply in Singapore;
(b) to support regulation of the handling and supply of food to ensure that it is safe and suitable for human consumption and to promote public health;
(c) to support assessing and otherwise requiring that food produced in or imported into Singapore complies with Singapore food standards so as to ensure that it is safe and suitable for human consumption;
(d) to support regulation of the construction, hygiene and operating procedures of premises, vehicles and equipment used for the handling or supply of food;
(e) to support regulation of businesses engaged in the handling or supply of food so as to minimise food safety risks and to ensure the provision of information relating to food to enable consumers to make informed choices;
(f) to undertake or facilitate the education and training of persons engaged in the handling or supply of food to enable them to minimise food safety risks;
(g) to support regulation of street hawking and trade fairs, whether or not engaged in the handling or supply of food;
(h) to develop food education initiatives, including the publication of information to increase public awareness of food supply resilience, food safety, food standards and food labels;
(i) to protect and conserve fisheries and to regulate the fisheries industry, including the use and control of fishing ports and harbours;
(j) to promote and develop the food industry, including any enterprise based on or using agri-biotechnology, agrotechnology or food biotechnology;
(k) to develop, manage and control the common property of the food processing facilities, food-distribution facilities and fishing ports in Singapore, and to provide and improve services or amenities to persons working in these facilities or ports to enhance the operations of businesses operating in them;
(l) to advise the Government on matters relating to the food industry and to food, food safety and food supply, and on matters that may be included in food standards;

(m) to represent the Government internationally on matters relating to fisheries, and to food, food businesses, food safety, food supply and on matters that may be included in food standards;
(n) to collect, compile and analyse data about food, the food industry, food businesses, food safety, food supply and matters that may be included in food standards, and to publish the results of any such compilation and analysis or abstracts of those results;
(o) to accredit, or facilitate accreditation by others in Singapore of, persons in the food industry;
(p) to promote or undertake research into matters relating to food, the food industry, food businesses, food safety, food supply and on any matter which may be included in food standards;
(q) to cooperate and collaborate in particular with:
    (i) any public officer or other public authority or Health Officer in the administration of the Infectious Diseases Act 1976;
    (ii) the Health Sciences Authority in the administration of the Health Products Act 2007;
    (iii) the Director-General of Public Health in the administration of the Environmental Public Health Act 1987; and
    (iv) the National Parks Board in the discharge of its functions;
(r) to perform such other functions as may be conferred on the Agency by any other Act.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the provisions of the Public Sector (Governance) Act 2018 ("the PSG Act"), the Singapore Food Agency Act 2019 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes as promulgated by the Accountant-General.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value as stated in the respective accounting policies below.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5 which addresses changes in accounting policies.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Agency's functional currency.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with SB-FRS requires management to make judgements, estimates and assumptions that affect the Agency's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 14 – Measurement of defined benefit obligations: Key actuarial assumptions
- Note 26 – Measurement of expected credit loss (ECL) allowance for trade receivables: key assumptions in determining the weighted-average loss rate

2.5 Changes in accounting policies

New standard and amendments

The Agency has applied the following SB-FRS, INT SB-FRS and Guidance Notes for the first time for the annual period beginning 1 April 2022:

- Amendments to SB-FRS 103: Reference to the Conceptual Framework
- Amendments to SB-FRS 16: Property, plant and Equipment – Proceeds before intended use
- Amendments to SB-FRS 37: Onerous contracts – Cost of Fulfilling a Contract
- Annual improvements to SB-FRSs 2018 -2020

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

3 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

3.1 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(iii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Agency, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iv) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

• Leasehold land and buildings	3 – 30 (over the period of the lease)
• Motor vehicles and vessels	10
• Mechanical and electrical equipment	10
• Renovation and improvements	6 – 14 (over the period of the lease)
• Furniture and fittings	8
• Laboratory tools and equipment	8
• IT equipment	8
• Office premises	2 – 9 (over the period of the lease)
• Operating facilities	2 – 14 (over the period of the lease)

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.2 Right-of-use asset (leasehold property)

Right-of-use asset from a leasehold property is investment property held either to earn rentals income or capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of services or for administrative purposes. The property is measured initially at their cost, including transactions.

Right-of-use asset, leasehold property is subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use asset, leasehold property under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use asset, leasehold property.

The estimated useful life of the right-of-use asset, leasehold property is as follows:

• Leasehold building	7 years (over the period of the lease)

The carrying amount of right-of-use asset, leasehold property is reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset, leasehold property may be impaired. The accounting policy on impairment is as described in Note 3.4 to the financial statements.

3.3 Leases

At inception of a contract, the Agency assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Agency allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Agency has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Agency recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Agency by the end of the lease term or the cost of the right-of-use asset reflects that the Agency will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the annual risk free rate published by the Ministry of Finance.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Agency is reasonably certain to exercise, lease payments in an optional renewal period if the Agency is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Agency is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Agency's estimate of the amount expected to be payable under a residual value guarantee, if the Agency changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Agency presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment'.

Short-term leases and leases of low-value assets

The Agency has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Agency recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Agency allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Agency acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Agency makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Agency considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Agency is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Agency applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Agency applies SB-FRS 115 to allocate the consideration in the contract.

The Agency recognises lease payments received from investment property under operating leases as income on a straight- line basis over the lease term as part of 'income'.

3.4 Impairment

(i) Non-derivative financial assets

The Agency recognises loss allowances for expected credit loss (ECLs) on financial assets measured at amortised costs.

Loss allowances of the Agency are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Agency applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Agency applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Agency assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Agency considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Agency's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Agency assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Agency considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Agency in full, without recourse by the Agency to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Agency considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Agency in full, without recourse by the Agency to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Agency is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Agency expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Agency assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Agency determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Agency's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Agency's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Agency's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Agency becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Agency changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Agency considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Agency considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Agency's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

Financial assets

The Agency derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Agency neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Agency enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Agency derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Agency also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Agency currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances with banks; and cash with the Accountant-General's Department ("AGD"). Cash with AGD refers to cash that is managed by AGD under Centralised Liquidity Management ("CLM") as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries.

(vi) Share capital

Ordinary shares

The shares issued are classified as equity and are valued at the considerations received for the issuance of the shares.

3.6 Provisions

A provision is recognised if, as a result of a past event, the Agency has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

The Agency reviews the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

3.7 Dividends

Dividends proposed by the Agency are not accounted for in capital and reserves as an appropriation of accumulated surplus, until they have been declared by the Agency. When these dividends have been declared and approved by the Agency, they are recognised as a liability.

3.8 Income recognition

Income is recognised when a performance obligation is satisfied by transferring control of a promised good or service to the customer. Income is measured based on consideration of which the Agency expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers may include fixed amounts, variable amounts or both. The Agency's income is derived from fixed price contracts and therefore, the amount of income earned for each contract is determined by reference to those fixed prices. The following specific recognition criteria must also be met before income is recognised:

(a) Certificate and permit fees are recognised at a point in time when certificate or permits are issued.

(b) Licence fees are recognised at a point in time when licences are issued or renewed.

(c) Rental and conservancy charges from operating leases are recognised in accordance with accounting policy in Note 3.3 to the financial statements.

(d) Interest income is recognised using the effective interest method.

(e) Other income comprises mainly rendering of services such as berthing fees, inspection fees and laboratory fees which are recognised at a point in time when the service is rendered.

3.9 Grants

Grants from the Government and other government agencies ("Government grants") are recognised initially at their fair value when there is reasonable assurance that the grant will be received and the Agency will comply with all the attached conditions associated with the grants.

Operating grants whose purpose is to meet the current financial year's operating expenses are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately in profit or loss.

Government grants and contributions from other parties utilised for the purchase or construction of property, plant and equipment are taken to the deferred capital grants account. These grants and contributions are initially recognised at fair value when there is reasonable assurance that they will be received and all conditions attached to the grants are complied. Such grants are taken to the deferred capital grants upon utilisation of the grants if the assets are capitalised or to the statement of comprehensive income if the assets are written off in the year of purchase.

Non-monetary grants related to assets are taken at their fair values to the deferred capital grants account.

Deferred capital grants are recognised in the profit or loss over the periods necessary to match the depreciation of the assets purchased or received with the related grants. On disposal of the property, plant and equipment, the balance of the related grants is taken to the profit or loss to match the net book value of the property, plant and equipment disposed.

3.10 Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Agency has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Defined contribution plans

The Agency contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which is applicable to the majority of the employees. The contributions to CPF are recognised as staff costs in profit or loss in the same period as the employment that give rise to the contribution.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Agency's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Agency's obligations and that are denominated in the currency in which the benefits are expected to be paid.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method. When the calculation results in a benefit to the Agency, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Agency. An economic benefit is available to the Agency if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Re-measurements comprising actuarial gains and losses are recognised immediately in other comprehensive income in the period in which they arise. Re-measurements are recognised in accumulated surplus within equity and are not reclassified to profit or loss in subsequent periods.

The Agency determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Interest on the defined benefit liability is recognised as expense or income in profit or loss.

When the benefits of the plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The Agency recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Agency in connection with the settlement.

3.11 Contribution to consolidated fund

The contribution to the Consolidated Fund is required under Section 3(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The contribution rate and the framework governing such contributions are determined by the Ministry of Finance.

Accounting surplus would be used for the purpose of computing the contribution and the contribution is accounted for on an accrual basis.

3.12 Trust Funds

The Agency receives funds from the Ministry of Sustainability and the Environment, and the Productivity Fund Administration Board ("PFAB") and National Research Foundation ("NRF)" for projects related to food security and food supply resilience.

At the establishment of the Agency on 1 April 2019, the Marine Fisheries Research Department ("MFRD") Fund was transferred from Agri-Food and Veterinary Authority ("AVA") to the Agency. The fund is to be held in trust for activities undertaken by the MFRD/Southeast Asian Fisheries Development Centre ("SEAFDEC") in Singapore.

Monies received from the Government and other organisations where the Agency is not the owner and beneficiary are accounted for as trust funds. Income and expenditure in respect of these funds are accounted for directly in the trust fund. Annual excess or shortfall in the funds after disbursing all expenditure will be refunded to or recovered from MSE, PFAB and NRF accordingly.

The net assets or liabilities of the fund do not form part of the Agency's assets and liabilities but are shown separately in the Agency's Statement of financial position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds*. Details of income, expenditure, assets and liabilities relating to these agency and trust funds are disclosed separately in the notes to the financial statements. The fund is accounted for on an accrual basis.

3.13 New standards and interpretations not adopted

A number of new standards and amendments to standards are not yet effective and have not been applied in preparing these financial statements. An explanation of the impact, if any, on adoption of these requirements, is provided in note 27.

4 Share capital

	2023		2022	
	No. of shares	**$**	**No. of shares**	**$**
At start and end of the financial year	1,000	1,000	1,000	1,000

Shares are issued to the Minister for Finance ("MOF"), the body incorporated by the Minister for Finance (Incorporation) Act, for all equity financing received from the Government. The holder of ordinary shares is entitled to receive dividends as declared from time to time, in accordance with the Finance Circular Minute No. M26/2008 under the Capital Management Framework for Statutory Boards. The shares carry no voting rights and have no par value.

5 Other reserve

The other reserve represents the difference between the value of share capital issued and the net assets transferred from the Agri-Food & Veterinary Authority and its subsidiary, Health Sciences Authority and National Environment Agency on 1 April 2019, the date of establishment of the Agency.

6 Property, plant and equipment

	Leasehold land and buildings $	Motor vehicles and vessels $	Mechanical and electrical equipment $	Renovation and improvements $	Furniture and fittings $	Laboratory tools and equipment $	IT equipment $	Office premises $	Operating facilities $	Development work-in-progress $	Total $
Cost											
At 1 April 2021	50,176,439	955,872	5,083,018	–	879,704	11,266,353	6,047,793	26,297,250	38,235,045	6,899,233	145,840,707
Additions	–	–	66,084	–	145,797	434,754	257,044	2,046,944	22,953	24,296,689	27,270,265
Lease modification	–	–	–	–	–	–	–	–	14,951	–	14,951
Disposals/written off	–	(265,971)	(13,735)	–	–	(41,271)	(34,540)	–	–	(3,798,746)	(4,154,263)
Transfers	–	–	–	–	134,236	1,606,378	612,682	–	–	(2,353,296)	–
At 31 March 2022	50,176,439	689,901	5,135,367	–	1,159,737	13,266,214	6,882,979	28,344,194	38,272,949	25,043,880	168,971,660
Additions	–	–	9,850	–	1,145,000	945,757	283,084	2,018,329	3,997,337	16,653,235	25,052,592
Lease modification	–	–	–	–	–	–	–	1,752,888	–	–	1,752,888
Disposals/written off	–	(248,562)	(12,438)	–	–	(119,932)	(23,560)	–	(3,813,342)	–	(4,217,834)
Transfers	–	248,472	387,826	34,124,496	–	818,557	–	–	–	(35,579,351)	–
At 31 March 2023	50,176,439	689,811	5,520,605	34,124,496	2,304,737	14,910,596	7,142,503	32,115,411	38,456,944	6,117,764	191,559,306
Accumulated depreciation											
At 1 April 2021	11,015,535	449,144	494,295	–	438,654	3,061,796	3,382,429	7,017,519	3,478,783	–	29,338,155
Depreciation for the financial year	5,507,768	125,651	574,480	–	82,574	1,709,437	1,268,578	4,929,211	2,786,081	–	16,983,780
Disposals	–	(188,327)	(5,339)	–	–	(14,250)	(34,540)	–	–	–	(242,456)
At 31 March 2022	16,523,303	386,468	1,063,436	–	521,228	4,756,983	4,616,467	11,946,730	6,264,864	–	46,079,479
Depreciation for the financial year	4,777,901	98,477	578,357	1,922,261	108,579	1,873,906	1,224,338	5,876,589	2,465,396	–	18,925,804
Disposals	–	(216,843)	(10,199)	–	–	(115,203)	(23,561)	–	(3,252,376)	–	(3,618,182)
At 31 March 2023	21,301,204	268,102	1,631,594	1,922,261	629,807	6,515,686	5,817,244	17,823,319	5,477,884	–	61,387,101
Carrying amounts											
At 1 April 2021	39,160,904	506,728	4,588,723	–	441,050	8,204,557	2,665,364	19,279,731	34,756,262	6,899,233	116,502,552
At 31 March 2022	33,653,136	303,433	4,071,931	–	638,509	8,509,231	2,266,512	16,397,464	32,008,085	25,043,880	122,892,181
At 31 March 2023	28,875,235	421,709	3,889,011	32,202,235	1,674,930	8,394,910	1,325,259	14,292,092	32,979,060	6,117,764	130,172,205

Property, plant and equipment includes the Agency's right-of-use assets of $47,271,152 (2022: $48,405,549) related to operating facilities and office premises. During the year, the Agency acquired property, plant and equipment with an aggregate cost of $25,052,592 (2022: $27,270,265). Cash payments of $21,554,993 (2022: $15,391,709) were made for property, plant and equipment.

7 Right-of-use asset (leasehold property)

	2023 $	2022 $
Balance as at start of the financial year	53,187,072	60,119,297
Depreciation charge	(6,738,067)	(6,932,225)
Balance as at end of the financial year	46,449,005	53,187,072

The following amounts are recognised in profit or loss:

	Note	2023 $	2022 $
Rental income from right-of-use asset (leasehold property)	19	27,840,422	22,751,763
Direct operating expense arising from right-of-use asset (leasehold property)		16,782,970	22,858,249

8 Subsidiary

	2023 $	2022 $
Unquoted equity shares, at cost	–	2

The subsidiary, whose principal place of business and incorporation is in Singapore, is as follows:

Name of company	**Principal activity**	**Equity interest 2023 %**	**Equity interest 2022 %**
Agrifood Technologies Pte Ltd	Consultancy services	–	100

During the year, the Agency has struck off the dormant wholly-owned subsidiary from the Register of Companies.

9 Trade and other receivables

	2023 $	2022 $
Trade receivables	2,552,582	3,760,680
Less: Loss allowance	(1,242,310)	(2,122,313)
Net trade receivables	1,310,272	1,638,367
Other receivables (current)	2,683,433	595,658
Other receivable from Government (current)	10,098,966	3,260,830
Trade and other receivables (current)	14,092,671	5,494,855
Other receivables (non-current)	1,924,489	1,897,875
	16,017,160	7,392,730

Trade receivables are non-interest bearing and are generally due on 30 days (2022: 30 days).

Other receivables (non-current) is related to a refundable deposit for a 15 years lease agreement recognised as operating facilities under Note 6, amounting to $1,924,489 (2022: $1,897,875).

Credit risk and impairment losses

The Agency's exposure to credit and currency risks, and impairment losses for other receivables, are disclosed in Note 26.

10 Cash and cash equivalents

	2023 $	2022 $
Cash at bank	447,765	19,479
Cash with Accountant General's Department ("AGD")	123,963,920	149,510,534
	124,411,685	149,530,013

Cash and bank balances of the Agency include cash held with AGD under Centralised Liquidity Management ("CLM") as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries. The effective interest rate of the cash with the AGD ranges from 0.49% to 2.85% (2022: 0.29% to 0.41%) per annum.

11 Trade and other payables

	2023 $	2022 $
Trade payables	3,162,052	1,710,534
Goods and services taxes	259,876	524,440
Provision for unutilised leave	5,194,222	6,573,025
Provision for bonus	7,783,288	7,151,749
Accrued operating expenses	14,214,123	28,850,440
	30,613,561	44,810,188

Trade payables are non-interest bearing and normally settled on 30-day terms.

12 Payable to the Parent Ministry

	Note	2023 $	2022 $
Unutilised grant to be returned to Parent Ministry	22	5,213,942	8,139,942
Payable to Parent Ministry for revenue collected on behalf		126,187	76,540
		5,340,129	8,216,482

The amount payable to Parent Ministry is unsecured, interest-free and to be settled in cash.

13 Lease liabilities

	2023 $	2022 $
Lease liabilities recognised at 1 April	105,310,328	115,755,285
Changes from financing cash flows		
Payment of lease liabilities	(13,703,729)	(12,529,805)
Interest paid	(3,319,364)	(3,580,266)
Total changes from financing cash flows	88,287,235	99,645,214
Other changes		
New leases	2,748,642	2,069,897
Lease modification	1,752,888	14,951
Derecognition of leases	(580,544)	–
Interest expense	3,319,364	3,580,266
Total other charges	7,240,350	5,665,114
Balance at 31 March	95,527,585	105,310,328

The maturity analysis of lease liabilities of the Agency as at the end of the financial year are as follows:

	2023 $	2022 $
Contractual undiscounted cash flows		
- Not later than a year	16,998,119	17,085,341
- Between one and two years	27,313,483	31,663,811
- Between two and five years	35,006,045	33,539,110
- After five years	30,522,901	39,847,822
	109,840,548	122,136,084
Less: Future interest expense	(14,312,963)	(16,825,756)
Present value of lease liabilities	95,527,585	105,310,328
Presented in statements of financial position		
- Non-current	81,412,232	78,958,014
- Current	14,115,353	26,352,314
	95,527,585	105,310,328

14 Provision for pension benefits

The Agency operates a defined benefit scheme for certain retired employees under the provisions of the Pensions Act 1956. Defined retirement benefit obligations due to pensionable officers are recognised in the statements of financial position in accordance with the Pensions Act 1956. Under the pension scheme, employees are entitled to a partial gratuity payment upon attaining normal retirement age, reduced pension annuity for a period of 12.5 years after retirement and full pension annuity for the remaining lifetime after the first 12.5 years. The pension liability is determined based on the last drawn salaries of the respective pensionable officers and the pensionable officers' cumulative service period served with the Agency at the time of retirement, on assumption that all pensionable officers work till the age of 62 years and opt for fully commuted gratuity on retirement. The Agency does not need to bear any medical liabilities for pensionable officers upon their retirement.

Changes in the present value of the defined benefit obligation are as follows:

	Note	2023 $	2022 $
Balance at the start of the financial year		5,102,495	5,559,737
Payments during the financial year		(266,668)	(558,913)
Changes charged to profit or loss			
- Interest cost		89,445	6,620
- Current service cost		–	95,051
Pension benefits	20	89,445	101,671
Re-measurement losses in other comprehensive income			
- Actuarial loss on valuation		188,063	–
Balance at the end of the financial year		5,113,335	5,102,495

The provision for defined benefit obligation is payable as follows:

	2023 $	2022 $
Within one year	277,264	263,352
After one year	4,836,071	4,839,143
	5,113,335	5,102,495

The provision has been estimated by management based on the actuarial valuation of the present value of the defined benefit obligation carried out by an independent firm of professional actuaries at 31 March 2023 using the projected unit credit method in accordance to SB-FRS 19.

The defined benefit obligation exposes the Agency to actuarial risks such as interest risk, longevity risk and salary risk.

Interest risk	The present value of the defined benefit obligation is calculated using a discount rate determined by referenced to observed bond yields. An increase in discount rate will decrease the defined benefit obligation. In determining the appropriate discount rate, management considers the market yields on government bond as Singapore is not considered to be a country with deep corporate bond market.
Longevity risk	The present value of the defined benefit obligation is calculated by reference to S0408 mortality table with an improvement based on historical reduction of mortality rates derived from the mortality reduction on 2006 Resident Table versus 2019 Resident Table. An increase in life expectancy of participants will increase the defined benefit obligation.
Salary risk	The present value of the defined benefit obligation is calculated by reference to the future salaries of participants. As such an increase in the salary of participants will increase the defined benefit obligation.

The actuarial assumptions used in computing the pension benefits are:

	2023	**2022**
Discount rate	Retirees – 2.92% per annum	Retirees – 1.80% per annum
Mortality rate	S0408 mortality table with an improvement based on historical reduction of mortality rates derived from the mortality reduction on 2006 Resident Table versus 2019 Resident Table	S0408 Singapore mortality table

Singapore Food Agency
Financial statements
Year ended 31 March 2023

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the financial year, assuming if all other assumptions were held constant:

		2023 Impact on defined obligation	
	Change in assumption	**Increase in assumption $**	**Decrease in assumption $**
Discount rates	0.25%	(133,000)	140,000
Mortality rates	0.10%	(103,000)	111,000

		2022 Impact on defined obligation	
	Change in assumption	**Increase in assumption $**	**Decrease in assumption $**
Discount rates	0.25%	(134,285)	140,332
Mortality rates	0.10%	(148,146)	161,323

The Agency expects to make payment of $145,185 (2022: $90,585) for service and interest cost to the defined benefit pension plans for the upcoming financial year ending 31 March 2024.

The estimated duration of the defined benefit pension plans for pensioners to be approximately 11 years (2022: 10 years) respectively.

15 Contribution to Consolidated Fund

The contribution to the Consolidated Fund is required under section 3(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The contribution rate and the framework governing such contributions are determined by the Ministry of Finance.

The contribution is based on 17% of the surplus for the financial year.

	2023 $	2022 $
Current year contribution	297,541	2,881,418

16 Deferred capital grants

	2023 $	2022 $
Balance at start of financial year	72,834,118	60,345,328
Capital grants received/receivable	20,281,255	25,284,049
Less: Amortisation of deferred capital grants in income or expenditure	(11,483,232)	(12,795,259)
Balance at end of financial year	81,632,141	72,834,118

17 Trust funds

The trust funds comprise funds received from Ministry of Sustainability and the Environment (“MSE”), Productivity Fund Administration Board (“PFAB”), the Marine Fisheries Research Department (“MFRD”) and National Research Foundation (“NRF”) as set out in Note 3.12.

The movements and the net liabilities of the trust funds at the reporting date are as follows:

	2023 $	2022 $
Balance at beginning of financial year	(2,639,665)	(1,553,280)
RECEIPTS		
- Interest income	21,775	33,548
- Funds received	27,953,078	37,086,113
- Others	824,416	–
	28,799,269	37,119,661
EXPENDITURE		
- Disbursements to grantees	23,674,266	21,193,557
- Operating expenditures	2	295
- Development expenditure	11,941,710	17,012,194
	35,615,978	38,206,046
Balance at end of financial year	(9,456,374)	(2,639,665)
Represented by:		
Assets		
- Cash and cash equivalents	386,329	701,050
- Receivables	824,416	–
	1,210,745	701,050
Liabilities		
- Amount due to Singapore Food Agency	10,098,966	3,260,830
- Other payables	568,153	79,885
	10,667,119	3,340,715
Net liabilities of trust funds	(9,456,374)	(2,639,665)

The net liabilities of the Trust Funds as at the reporting date are as follows:

	2023 $	2022 $
Ministry of Sustainability and the Environment	(4,984,569)	(3,184,047)
Productivity Fund Administration Board	350,222	664,942
Marine Fisheries Research Department	36,108	36,108
National Research Foundation	(4,858,135)	(156,668)
	(9,456,374)	(2,639,665)

The Agency disbursed funds to external parties on behalf of the trust funds recorded under Ministry of Sustainability and the Environment and National Research Foundation. These amounts will be subsequently reimbursed and are recorded as ‘Other receivable from Government’ under note 9.

18 Revenue from contract customers

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the relevant revenue recognition policies:

Certificate and permit fees

Nature of services	Fees received for issuance of certificates and permits to food traders to for import/ export purposes. Examples include import permit fee for chilled/ frozen meat, export health certificate.
When revenue is recognised	Recognised at point in time when certificate or permits are issued.
Significant payment terms	30 days credit term

Licence fees

Nature of services	Fees received for issuance or renewal of food processing/food retail or agricultural licences. Examples include licence to import, export or transship meat and fish products, food processing establishment, farm licence.
When revenue is recognised	Recognised at point in time when licences are issued or renewed.
Significant payment terms	30 days credit term

The Agency applies the practical expedient in paragraph 121 of SB-FRS 115 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Agency has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

19 Rental and conservancy charges

	2023 $	2022 $
Fishery ports	5,246,844	4,378,567
Right-of-use asset, leasehold property	27,840,422	22,751,763
Other premises	966,605	606,449
	34,053,871	27,736,779

20 Staff costs

	Note	2023 $	2022 $
Salaries, allowances and bonus		90,134,731	82,053,330
Central provident fund contributions		11,053,782	10,351,230
Pension benefits	14	89,445	101,671
Other staff costs		449,719	931,061
		101,727,677	93,437,292

21 General and administrative expenses

	2023 $	2022 $
Information Communication & Technology	17,538,969	15,206,190
Maintenance of facilities & equipment	11,672,451	14,484,227
Professional and Other services	20,342,034	38,367,689
Contract Services	9,191,491	6,847,256
Utilities	8,120,125	4,846,218
Lease expenses on short term leases	597,095	665,788
Laboratory, office and other supplies	2,735,679	2,384,671
Payment to International Organisations	3,195,121	3,248,279
Staff development and well being	4,598,583	3,142,187
Travel and Transport	1,372,273	889,930
Other operating expenses	15,338,402	11,815,337
	94,702,223	101,897,772

22 Operating grants

	Note	2023 $	2022 $
Received during the financial year		152,998,694	182,063,616
Operating grants to be returned to Parent Ministry	12	(5,213,942)	(8,139,942)
Recorded in statements of comprehensive income		147,784,752	173,923,674

23 Leases

Leases as lessee

The Agency leases a number of office premises and operating facilities in Singapore. These leases typically run for a period of 1 to 14 years (2022: 1 to 15 years).

The Agency leases IT equipment with contract terms of 3 to 5 years. These leases are short-term and/or leases of low-value items. The Agency has elected not to recognise right-of-use assets and lease liabilities for these short term and low-value leases. As at 31 March 2023, the Agency has approximately $932,534 (2022: $699,710) of aggregate undiscounted commitments respectively for short-term leases.

Information about right-of-use assets that do not meet the definition of investment property is disclosed under Note 6.

There are no externally imposed covenant on the lease arrangements.

Amounts recognised in profit or loss

	$
2023 – Leases	
Expenses relating to short-term leases	597,095
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	524,543
2022 – Leases under SB-FRS 116	
Expenses relating to short-term leases	665,788
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	503,551

Extension options

The Agency has several lease contracts that include extension options. The options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Agency's business needs. The extension options held are exercisable only by the Agency and not by the lessors. The Agency assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Agency reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

As at 31 March 2023, the Agency has included potential cash outflows arising from all extension options in the measurement of lease liabilities for leasehold property, office premise, other operating facilities as it is reasonably certain that the extension options will be exercised.

Leases as lessor

The Agency has entered into commercial property lease on its right-of-use asset, leasehold property and premises lease at the Agency's fishery ports with expiry dates ranging from 30 April 2023 to 31 March 2026 (2022: 31 March 2022 to 31 May 2025). The Agency has classified these leases as operating leases, because they do not transfer substantially all of the risk and rewards incidental to the ownership of the assets. Note 7 sets out information about the operating leases of right-of-use asset, leasehold property.

At the end of the financial year, maturity analysis of lease income receivables based on undiscounted lease payments to be received on an annual basis are as follows:

	2023 $	2022 $
Less than one year	23,337,010	26,712,341
One to two years	12,512,915	14,643,773
Two to three years	3,714,919	4,131,269
Three to four years	–	21,551
	39,564,844	45,508,934

24 Commitments

Capital commitments

Capital expenditure, in relation to future acquisition of property, plant and equipment, contracted during the financial year but not provided for in the financial statements amounted to $1,048,676 (2022: $12,503,786) at the end of the financial year.

25 Significant related party transactions

The Agency is a statutory board incorporated under the Singapore Food Agency Act. For the purpose of these financial statements, parties are considered to be related to the Agency if the Agency has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Board and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. In accordance with SB-FRS 24 paragraph 25A, the Agency is exempted from disclosing transactions with government-related entities other than Ministries, Organs of State and other Statutory Boards, unless there are circumstances to indicate that these transactions are unusual and their disclosure would be of interest to readers of the financial statements.

(a) Key management personnel compensation

Key management personnel of the Agency are those persons having the authority and responsibility for planning, directing and controlling the activities of the Agency.

Key management personnel compensation comprises:

	2023 $	2022 $
Short-term employee benefits	7,013,209	6,146,132
Post-employment benefits	61,182	363,537
	7,074,391	6,509,669

(b) Transactions with related parties

During the financial year, the Agency has significant transactions, at terms agreed between the related parties, with its Parent Ministry, and other related parties listed below, other than statutory charges and transactions disclosed elsewhere in the financial statements:

	2023 $	2022 $
Ministry of National Development		
- Repayment of obligation and interest under leases	5,172,044	4,531,724
Parent Ministry		
- Repayment of obligation and interest under leases	8,310,922	8,274,971

26 Financial risk management

Financial risk management

Overview

The Agency has exposure to the following risks arising from financial instruments:

- credit risk
- interest rate risk
- liquidity risk

This note presents information about the Agency's exposure to each of the above risks, the Agency's objectives, policies and processes for measuring and managing risk, and the Agency's management of capital.

Risk management framework

The Board is responsible for setting the objectives and underlying principles of financial risk management for the Agency. The Agency's management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, in accordance with the objectives and underlying principles approved by the Board.

Credit risk

Credit risk is the risk of financial loss to the Agency if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Agency is mainly exposed to credit and collectability risk on trade receivables. It is Agency's policy to assess the credit risk of new customers before entering contracts.

The Agency has policies in place to ensure that services are made to customers with appropriate credit history, and that surplus funds are placed with reputable banks.

The Agency determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. The Agency has no significant concentrations of credit risk.

The carrying amounts of financial assets represent the Agency's maximum exposures to credit risk, before taking into account any collateral held. The Agency do not require any collateral in respect of their financial assets.

(i) Financial assets that are neither past due nor impaired

Trade receivables and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment track record with the Agency. Cash and cash equivalents that are neither past due nor impaired are placed with banks and financial institutions with high credit ratings.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Trade receivables

As at 31 March 2023, the Agency does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics.

Movement in loss allowances on trade receivables during the financial year are as follows:

	Non-credit impaired $	Credit impaired * $	Total $
Balance as at 1 April 2021	265,331	922,686	1,188,017
Loss allowance charged/(reversed) for the financial year	(197,667)	1,136,042	938,375
Amount written off	(4,079)	–	(4,079)
Balance at 31 March 2022	63,585	2,058,728	2,122,313

	Non-credit impaired $	Credit impaired * $	Total $
Balance as at 1 April 2022	63,585	2,058,728	2,122,313
Loss allowance charged/(reversed) for the financial year	29,020	(457,505)	(428,485)
Amount written off	(14,852)	(436,666)	(451,518)
Balance at 31 March 2023	77,753	1,164,557	1,242,310

* Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Expected credit loss assessment

The Agency evaluates at the end of each reporting period whether there is any significant change in credit risk on trade receivables and determines the amount of impairment loss as a result of the inability of the customers to make required payments. The Agency's judgement is required in the area of impairment in determining the key assumptions used in deriving the expected credit loss. Changes in any of the assumptions could materially affect the recoverable amount.

The Agency has elected to apply the simplified approach within SB-FRS 109, based on lifetime expected credit losses ("ECL"), in determining the provision for loss allowance on trade receivables at the end of the financial year, using a provision matrix.

Management determines the expected loss arising from default for trade receivables, by categorising them based on its historical loss pattern, historical payment profile as well as credit risk profile of customer.

The following table provides information about the exposure to credit risk and ECLs for non-credit impaired trade receivables:

	Weighted average loss rate %	Gross carrying amount $	Non-credit Impairment loss allowance $
2023			
Current (not past due)	0.2	983,511	2,339
1 – 30 days past due	1.2	39,699	480
31– 60 days past due	2.8	71,974	2,014
61 – 90 days past due	14.6	103,986	15,225
More than 90 days past due	30.5	188,855	57,695
		1,388,025	77,753

	Weighted average loss rate %	Gross carrying amount $	Non-credit Impairment loss allowance $
2022			
Current	0.3	1,268,514	3,775
1 – 30 days past due	3.2	53,771	1,693
31 – 60 days past due	3.2	226,873	7,306
61 – 90 days past due	19.4	4,873	945
More than 60 days past due	33.7	147,921	49,866
		1,701,952	63,585

Notwithstanding the above, the Agency evaluates the expected credit loss on customers in financial difficulties separately. Accordingly, the Agency's provision for credit impairment as at the end of the financial year ended 31 March 2023 amounted to $1,164,557 (2022: $2,058,728). The carrying amount of the Agency's trade receivables as at 31 March 2023 is $1,310,272 (2022: $1,638,367).

Other receivables

Management determines whether there is significant increase in credit risk of these non-trade amounts since initial recognition. Management considers various areas like credit risk profile as well as historical payment trend. There is no significant increase in credit risk as at 31 March 2023. Correspondingly, other receivables are considered to be a low credit risk. The computed impairment loss derived was determined to be immaterial as at 31 March 2023.

Bank balances

Credit risk also arises from balances held with banks. The management monitors the credit ratings of the counterparties regularly. Impairment on cash and bank balances have been measured based on 12-month expected credit loss basis and reflects the short maturities of the exposures. At the end of the financial year, the Agency did not expect any material credit losses from non-performances by these banks and financial institutions which are assigned with minimum rating "A-" and above by international credit-rating agencies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Agency's interest-bearing financial instruments relate mainly to cash deposited with AGD. The interest rates for Cash deposited with AGD are based on deposit rates determined by the financial institutions with which the cash are deposited and are expected to move in tandem with market interest rate movements. The Agency is of the view that any fluctuation in interest rates is not likely to have a significant impact on the surplus before contribution to consolidated fund and taxation and to accumulated surplus.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Agency monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance its operations and mitigate the effects of fluctuations in cash flows.

The Agency's liquidity risk is minimal as the Agency maintains sufficient cash balances and internally generated cash flows to finance their operating activities and committed liabilities. In addition, the Agency is financially supported by grants primarily from the Government.

The non-derivative financial liabilities of the Agency are presented in the statement of financial position. The undiscounted cash flow of the Agency's and Board's non-derivative financial liabilities (comprising trade and other payables) at the reporting date approximate their carrying amounts and are expected to be settled within the next 12 months and are classified as other financial liabilities.

The following are the remaining contractual undiscounted cash outflows (including interest payments) of non-derivative financial liabilities:

	Carrying amount $	Total $	Within 1 year $	After 1 year but within 5 years $	After 5 years $
2023					
Non-derivative financial liability					
Lease liabilities	95,527,585	109,840,548	16,998,119	62,319,528	30,522,901
2022					
Non-derivative financial liability					
Lease liabilities	105,310,328	122,136,084	17,085,341	65,202,921	39,847,822

Capital Management

The Agency's objectives when managing capital are to safeguard the Agency's ability to support the Agency's mission. Under the Capital Management Framework for Statutory Boards, the Agency is expected to declare annual dividend to the Minister for Finance, a body incorporated by the Minister for Finance (Incorporation) Act, in return for any equity injection. The annual dividend to be declared is based on an agreed formula stipulated by the Ministry of Finance in the Finance Circular Minute No. M26/2008.

There were no changes in the Agency's approach to capital management during the financial year.

The Agency are not subject to externally imposed capital requirements.

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities are as follows.

	Note	Financial assets at amortised cost $	Other financial liabilities $	Total carrying amount $	Fair value (Level 3) $
As at 31 March 2023					
Financial assets					
Trade and other receivables	9	16,017,160	–	16,017,160	16,017,160
Cash and cash equivalents	10	124,411,685	–	124,411,685	124,411,685
Capital grants receivable		2,291,848	–	2,291,848	2,291,848
		142,720,693	–	142,720,693	
Financial liabilities					
Trade payables	11	–	3,162,052	3,162,052	3,162,052
Accrued operating expenses	11	–	14,214,123	14,214,123	14,214,123
Rental, security and other deposits		–	7,668,845	7,668,845	7,668,845
Payable to the Parent Ministry	12	–	5,340,129	5,340,129	5,340,129
		–	30,385,149	30,385,149	
As at 31 March 2022					
Financial assets					
Trade and other receivables	9	7,392,730	–	7,392,730	7,392,730
Cash and cash equivalents	10	149,530,013	–	149,530,013	149,530,013
Capital grants receivable		2,796,643	–	2,796,643	2,796,643
		159,719,386	–	159,719,386	
Financial liabilities					
Trade payables	11	–	1,710,534	1,710,534	1,710,534
Accrued operating expenses	11	–	28,850,440	28,850,440	28,850,440
Rental, security and other deposits		–	7,551,304	7,551,304	7,551,304
Payable to the Parent Ministry	12	–	8,216,482	8,216,482	8,216,482
		–	46,328,580	46,328,580	

Other financial assets and liabilities

Management has determined that the carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables, payable to the Parent Ministry and rental, security and other deposits reasonably approximate their fair values due to their relative short-term maturity.

27 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2022 and earlier application is permitted; however, the Agency has not early adopted the new or amended standards and interpretations in preparing these financial statements.

(i) Amendments to SB-FRS 1: *Classification of Liabilities as Current or Non-Current*

The amendments, as issued in 2020, aim to clarify the requirements on determining whether a liability is current or non-current, and apply for annual reporting periods beginning on or after 1 January 2023. However, the IASB has subsequently proposed further amendments to IAS 1 and the deferral of the effective date of the 2020 amendments to no earlier than 1 January 2024. Due to these ongoing developments, the Agency is unable to determine the impact of these amendments on the consolidated financial statements in the period of initial application. The Agency is closely monitoring the developments.

(ii) Others

The following amendments to SB-FRSs are not expected to have a significant impact on the Agency's financial statements and the Agency's statement of financial position.

- Amendments to SB-FRS 12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to SB-FRS 1 and SB-FRS Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SB-FRS 1002: *Impairment of Non-Cash Generating Assets*
- Amendments to SB-FRS 8: *Definition of Accounting Estimates*

Singapore
Food
Agency